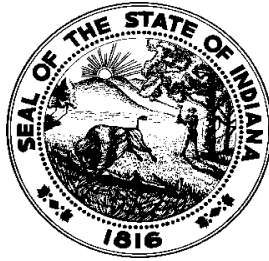


**LOCAL GOVERNMENT TAX CONTROL BOARD**



**RECOMMENDATIONS**

**TO**

**DEPARTMENT OF LOCAL GOVERNMENT FINANCE**

**FROM**

**June 24, 2004**

Stan Mettler called the June 24<sup>th</sup> Local Government Tax Control Board meeting to order at 9:00am in the absence of James Riehle. Mr. Riehle arrived approximately ten minutes after the meeting was called to order.

### **Attendance**

The following Board Members attended the meeting: James Riehle, Stan Mettler, Lisa Acobert and Bob Harris. Richard Eckerle was absent.

### **Discussion**

Judy Robertson reported that there was one outstanding issue – The City of Elkhart, Elkhart County, in which the Commissioner had requested additional information on the TIF revenue and verification that the issue was a property tax backup request before signing the order.

### **Recommendation**

Bob motioned to recommend approval of the minutes from the May 27<sup>th</sup> meeting. Lisa seconded and the motion carried 3-0.

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### **Lawrence Township, Marion County Emergency Township Fire Loan**

The unit is requesting approval to obtain a township emergency fire loan in the amount of \$917,960 in order to fund operating expenses. The anticipated tax rate is .0257 based on a fire-assessed value of \$3,511,288,920 and an annual levy of \$902,641.

Per the following emergency loan calculation, the unit shows a need of:

January 1, 2004 Cash Balance	\$452,437
Plus: 2004 Certified Tax Levy	\$6,924,262
Plus: Estimated 2004 Revenues	\$1,253,267
Total Funds Available 2004	\$8,629,966
Less: Encumbered Appropriations	\$0
Less: Estimated 2004 Expenditures	\$9,547,926
Funds Remaining	<b>(\$917,960)</b>

### **Taxpayer Objections:**

The date of publication for a public hearing was April 29<sup>th</sup>, 2004. A public hearing was held May 11<sup>th</sup>, 2004. The Notice of Determination was published May 20<sup>th</sup>, 2004. The remonstrance period will end on June 11<sup>th</sup>, 2004.

## **Attendance**

The following people attended the meeting: Brian Bosma (Attorney), Dan Hedden (Financial Advisor), John McNatt (Trustee), Warren White (Fire Chief), Morris L. Ratliff (Deputy Fire Chief), Ivan Wilson (Deputy Fire Chief), Allen Wood (Union President IAFF L416), William Price (Union District Trustee IAFF L416), Mike Blackwell (Station Rep IAFF 416).

## **Discussion**

The unit handed out a document that gave the details on the following items:

- Historical Overview of the Township
- Today's Challenges
- The Fire Department
- The Loan Request

75% of the runs by the fire department are for medical emergency response.

Questions by the Board:

James: How did you public hearings go – is everything in order?

Answer: Yes, there were no dissensions. The taxpayers expect this method of funding the fire department's operations. They received unanimous support from the Township Board.

Bob: How many taxpayers attend your public meetings?

Answer: Less than a dozen, outside of firefighting personnel.

Bob: You have received emergency fire loans since 1999, except for 2002; do you anticipate coming back next year and then asking for a levy increase for the following year?

Answer: They do anticipate coming back next year just to fund normal increases in the budget. They have not discussed about coming in for a levy increase, but it should definitely be on the books as an option. They have no plans to hire anyone in 2005.

Linda: Was your budget cut as a result of SB1?

Answer: No.

Dan: Are you planning on building more fire stations?

Answer: No.

Dan: Are you getting fire pension relief funding?

Answer: They did not realize there was relief for the 77-fund pension, only for the 37 fund. All their members are in the 77 plan. They will look into the relief appeal for the 77 fund members.

Dan: How is your salary set – annually or bi-weekly?

Answer: Annually, but paid out bi-weekly. The 27<sup>th</sup> pay period was for last year but paid out January 2<sup>nd</sup>, and that is why it was added to this year's budget and not included in last year's expenses.

Bob: Do you have a Rainy Day Fund?

Answer: Yes.

Bob: What is the use of it?

Answer: Very general, but they have not used any of it. There is only about \$1700 in it.

### **Recommendation**

Stan motioned to recommend approval of emergency fire loan in the amount of \$917,960. Lisa seconded and the motion carried 4-0.

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### **Town of Danville, Hendricks County Park District Bonds**

The unit is requesting approval to issue bonds in the amount of \$1,650,000. Proceeds from the sale of bonds will be used to construct and equip a municipal pool facility. The anticipated tax rate is .0671 based on an assessed value of \$314,265,045 and an annual levy of \$211,000.

### **Taxpayer Objections:**

Public hearings were held March 1<sup>st</sup> and 15<sup>th</sup> by the Town Council, and April 13<sup>th</sup> and May 11<sup>th</sup> by the Park Board. The Notice of Determination was published April 22<sup>nd</sup>, 2004. The Auditor certified No Remonstrance on June 3<sup>rd</sup>, 2004.

### **Attendance**

The following people attended the meeting: Gary Eakin (Town Manager), Jeremiah Weed (Park Board President), Jim Treat (Financial Advisor with O.W. Krohn & Assoc.), Brad Andrews (Park Superintendent), Lisa A. Lee (Bond Counsel with Ice Miller), Nicolas M. Quintana (Architect with Sebree & Assoc.)

### **Discussion**

The unit is following a five-year master plan to upgrade their park facilities. Five-years ago the commissioned a facilities audit and they are following the recommendations from the audit findings. This is the fifth year of the original master plan.

The current pool facility was built in 1960 by a group of mostly volunteers. They wish to transform the old pool into an aquatic center. They want to deal with local banks with an early call option to fund the cost of the bonds. They receive funding in excess of \$1,000,000 from a local landfill, but the Park Dept. does not receive any of it. The funds

are restricted in how they can be used. Currently the landfill revenues are being used for Quality of Life projects. In any case, the landfill revenues are not a consistent source of funding to use to make payments on a debt fund, or to be used for property tax backup purposes.

They have held public meetings, there have been numerous newspaper articles, and one-on-group talks with Civic Groups about the Aquatic Center. There is wide spread support for the project. They have received only two calls against the plans. One from an elderly lady who has no children and will never use the park and didn't see why she needed to pay taxes to fund it; the second was from a gentleman wanting to know if it was a need or a want. They invited him to a public meeting and he did not show up.

Questions by the Board:

James: What is your population?

Answer: About 6,418 per the 2000 census; they are hovering around 7,000 right now.

James: How many people will the Aquatic Center accommodate?

Answer: The deck area can hold approximately 750 people.

James: Will you charge admission?

Answer: Yes, one fee for residents and another fee for non-residents.

James: How long is the season?

Answer: Right now it is basically the summer months – from Memorial Day to the end of August. They would like to expand the season to be from the first of May through the end of September.

Bob: Why doesn't this bond debt fall under the Town's 2% debt limitation?

Answer: Park District bonds have their own 2% debt limitation that is separate from the Town's, or other municipal unit.

Dan: What are current revenues and what is the projected revenue from the new facility?

Answer: Current revenue is about \$65,000 and they have no idea what revenue the new facility will generate.

Dan: Does the current revenue cover operating costs?

Answer: No.

Dan: Is the concession stand contracted out?

Answer: No, it is supported entirely from the Town budget.

The current pool is leaking several thousand gallons of water a day and they have not been able to find the leak. The water utility company is charging them for that leakage.

Bob: How many taxpayers attended the public hearings?

Answer: None.

Dan: How long is the debt issue for?

Answer: Maximum amount is ten years – they are hoping to reduce that to four or five.

Dan: Are all the local funds on hand and available for use?

Answer: Yes.

Bob: Do you have a Rainy Day fund?

Answer: Yes, it has \$289,000 in it.

Bob: What is the use of your Rainy Day fund?

Answer: For shortfalls in the budget – the resolution is very broad in the use.

### **Recommendation**

Stan motioned to recommend approval to issue General Obligation Bonds in the amount of \$1,650,000. Lisa seconded and the motion carried 4-0.

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### **Florida Township, Parke County Fire Equipment, Apparatus, and Building Loan**

The unit is requesting approval to obtain a fire loan in the amount of \$125,000 for a term of six (6) years. Proceeds of the loan will be used to purchase a 2003 Freightliner M2 with 1250 GMP Hale Pump and a 1000-gallon poly water tank fire truck. The new truck will replace a 1977 Sutphen pumper fire truck that needs a new pump that will cost approximately \$20,000. The anticipated tax rate is estimated to be .0402 based on a fire assessed value of \$58,269,291 and an annual levy of \$23,480.

### **Taxpayer Objections:**

The Date of Publication for a Public Hearing was March 31<sup>st</sup>, 2004. A Public Hearing was held on April 12<sup>th</sup>, 2004. The Notice of Determination was published April 21<sup>st</sup>, 2004. The Auditor certified No Remonstrance on May 26<sup>th</sup>, 2004.

### **Attendance**

The following people attended the meeting: Steve Rukes (Trustee).

### **Discussion**

They are here seeking approval to get a loan to purchase a fire truck.

Questions by the Board:

Bob: Are you replacing a truck?

Answer: Yes – a 1977 truck. They had a tank audit done and it was recommended that the truck be taken out of service.

Bob: Did you have any taxpayers attend the public hearing?

Answer: There were ten people there – nine of them firefighters and one citizen. There was no remonstrance.

Dan: Does your Township have an incorporated town?

Answer: One- the Town of Rosedale, which has no fire department of their own.

James: How many volunteer firefighters do you have?

Answer: Rosedale has eighteen and Leiter has about fifteen.

James: How many vehicles do you have?

Answer: Rosedale has two pumpers and two tankers, Leiter has one pumper, two brush trucks and one tanker.

### **Recommendation**

Bob motioned to recommend approval of a fire loan in the amount of \$125,000. Stan seconded and the motion carried 4-0.

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### **Union Township, Parke County Fire Equipment, Apparatus, and Building Loan**

The unit is requesting approval to obtain a fire loan in the amount of \$35,000 for a term of six (6) years. Proceeds of the loan will be used to purchase a 2005 Pumper Tanker fire truck. The new truck will replace a 1972 pumper fire truck. The anticipated tax rate is estimated to be .0800 based on a fire assessed value of \$91,453,079 and an annual levy of \$66,443.

### **Taxpayer Objections:**

The date of publication for a public hearing was April 14<sup>th</sup>, 2004. A public hearing was held April 29<sup>th</sup>, 2004. The Notice of Determination was published May 5<sup>th</sup>, 2004. The Auditor certified No Remonstrance on June 7<sup>th</sup>, 2004.

### **Attendance**

The following people attended the meeting: Lana Livengood (Trustee), Bill Livengood (Fire Chief), Larry D. Reeder (Advisor Board of Trustees of the Fire Dept.), Robert W. Brown (Secretary & Treasurer for the J.U.G.A. VFD)

### **Discussion**

They desperately need a new fire truck to replace a 1972 model.

Questions by the Board:

James: Is your population increasing and the number of runs?

Answer: Yes, and emergency runs have increased over 50% in the last three years. Part of their coverage area includes Raccoon Lake, which has a steadily growing population.

Dan: Are you responsible for water rescues?

Answer: Some, but they really haven't gotten into that. 75% of their runs are medical emergencies. Another problem is that they do not have a hydrant system and rely on tankers for their water supplies at a scene.

James: Do you have any industries?

Answer: No – it is all small business.

James: Has the public shown approval of the purchase?

Answer: Yes, they have been very supportive.

Bob: Do you have a firehouse to house the vehicle?

Answer: Yes.

Stan: What are you going to do with the old truck?

Answer: Sell it, if we can.

Dan: How many gallons will the tanker hold?

Answer: The old one holds 1100, the new one will hold 1800 gallons.

### **Recommendation**

Stan motioned to recommend approval of a fire loan in the amount of \$350,000. Lisa seconded and the motion carried 4-0.

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### **Harrison Township, Cass County Fire Equipment, Apparatus, and Building Loan**

The unit is requesting approval to obtain a fire loan in the amount of \$150,000 for a term of six (6) years. Proceeds of the loan will be used to construct and equip a new fire station. The anticipated tax rate is estimated to be **.0402** based on a fire assessed value of **\$58,269,291** and an annual levy of **\$23,480**.

### **Taxpayer Objections:**

The Date of Publication for a public meeting was April 24<sup>th</sup>, 2004. A Public hearing was held on May 11, 2004. The Notice of Determination was published May 15<sup>th</sup>, 2004. The Remonstrance period will end on June 11<sup>th</sup>, 2004.

### **Attendance**



The following people attended the meeting: Cathy Cree (Trustee), Robert G. Cree (Deputy Trustee), and Stephen R. Buschmann (Attorney).

### **Discussion**

They need a new fire station. The current building's foundation is cracked and the roof is leaking. There are cracks in the walls from the ceiling to the floor. They recently purchased a new fire truck and had to special order it to make it a smaller height so that it would fit inside the station bay. They have no training facilities, no room for public meetings, no storage space, and no computer equipment. It is a requirement to document all runs into a database and the Fire Chief has to take the documents home and use his own personal computer to enter the necessary data (see pictures). The underground storage water tanks are leaking and they need to replace them. They have purchased the house and land next door to the station and they are going to build the new station on that land.

Questions by the Board:

Bob: What are you going to do to the old building?

Answer: Tear it down.

Dan: What about the house sitting on the proposed building site?

Answer: It will be torn down also.

The new design will be a pole barn on a concrete slab.

Lisa: What kind of loose equipment do you intend to purchase?

Answer: Filing system, chairs, desks, storage lockers, etc.

Bob: Where is the \$191,000 in local funds coming from?

Answer: \$68,000 is coming from the Cum. Fire fund and \$123,000 from the operating balance in the Fire Fund.

Bob: Does Cass County have local income taxes?

Answer: Yes, and it all goes into the Fire Fund.

Dan: Have you historically been at your maximum levy?

Answer: Yes because they have been saving for this building.

James: Do you provide ambulance service?

Answer: No, they are only a first responder unit. They have 40-50 runs per year and they have about fifteen volunteer firemen. They have contracts with Bethlehem Township and Noble Township to help provide coverage.

James: When was the current building constructed?

Answer: It was built in 1955.

Bob: Has there been any taxpayer objections?

Answer: No, none at all.

Stan: Are you going to purchase in more equipment?

Answer: Not at this time – they are not looking into expanding.

Stan: How many bays will the new building have?

Answer: Four double bays – it will be able to hold eight vehicles. Two of the bays will be drive-thru's.

They have no hydrant system in the Town. They want to put in poly type water storage tanks as well. They are hoping that all the improvements will lower the insurance rate for the residents of the Town.

Stan: Is the lot big enough to accommodate drive-thru bays?

Answer: Yes, plenty big.

### **Recommendation**

Bob motioned to recommend approval of a fire loan in the amount of \$150,000. Stan seconded and the motion carried 4-0.

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### **Logansport Cass County Airport Authority, Cass County Maximum Levy**

The unit is requesting a maximum levy to be established at \$474,200. This unit was established in 2003, effective July 1<sup>st</sup>.

### **Taxpayer Objections**

The Resolution was adopted and passed June 2<sup>nd</sup>, 2004.

### **Attendance**

The following people attended the meeting: Charles (Tad) Williams (President), Patrick McNarny (Treasurer), and Paige Gilpin (Financial Advisor/H.J. Umbaugh & Assoc.).

### **Discussion**

The unit is here request a maximum levy in the amount of \$474,200. (Refer to handout). The Logansport Cass County Airport Authority was established with an effective date of July 1, 2003. The approvals were granted by the Logansport Common Council on November 4<sup>th</sup>, 2002 and the Cass County Council on May 16<sup>th</sup>, 2003. The unit then discussed the proposed operating budget and anticipated revenue. They expect revenues of \$535,846 and the proposed budget is \$474,200. That would leave them an operating balance of \$61,646 to use to continue improvements to the Airport. The Operating

Balance represents 13% of the proposed budget and is comprised of misc. revenue generated by auto excise, FIT and CVET. The operating balance would basically be any revenue generated outside of property taxes. They are requesting an annual allowance of \$88,000 to fund current proposed capital outlays plus future capital needs and for long-term capital planning. The current capital outlay budget is for land acquisition for airport expansion, construction of a storage building, purchase of furnishings and computers for the administration building, purchase of mowing equipment, and the purchase of a security system.

Questions by the Board:

James: Who performed the services before the Airport Authority was established?

Answer: The Board of Aviation through the City of Logansport.

Bob: Capital Outlays are usually cut by 80% because they are one-time expenses and if we include them in your max. levy, then you will have that amount from now to forever for supposedly one-time purchases.

Answer: Any chance of reconsidering? I understand previous practice, but there is a need for continued capital outlay purchases.

Lisa: Your 13% excess depends upon receiving misc. revenue?

Answer: Yes, exactly. They are being very conservative in supplies, only asking for \$4,600, which is small compared to this size of a unit. The full amount requested in the proposal will help in future capital planning and to retain some for future large purchases.

The Airport is primitive and they are having to start from scratch. There is no security system presently. They are hoping to get some grants, but then they will need matching funds. The results of an economic development survey to the City of Logansport, the #1 priority is to have adequate airport services. The airport is thirty years behind the times.

James: Do you have to have the approval of two bodies?

Answer: Yes, the City Council and the Cass Council.

James: Did both Councils pass a resolution approving the establishment of the Authority?

Answer: Yes

Bob: What is the \$50,000 for the maintenance and repair of the Administration building?

Answer: They need to have a new building. The current one was built in 1960 and a new roof was put on twenty years ago. They had to purchase thirty folding chairs to accommodate public meetings.

James: Is your industry growing?

Answer: Yes. The airport is losing customers because their runways are not long enough to accommodate big planes. The planes have to fly in to the airport in Kokomo, and the travel the 30-40 miles into Logansport. Airport traffic is increasing.

Lisa: Is your oversight members elected or appointed?

Answer: Appointed.

Lisa: Does airports fall under the new 5% increase requirements of the statute?

Answer: No, only libraries and Solid Waste Districts.

Bob: The Hanger Lease amount – how long is it for?

Answer: Ten years at an established 5% interest rate, assuming eight new hangers are built. This will be a new and separate debt than what was approved last year by the DLGF.

Bob: This new lease payment is coming out of your operating budget?

Answer: Yes.

Bob: I have three problems with the maximum levy amount:

- Repair & Maintenance of \$50,000 for the Administration building
- The debt issue payments being made from the operating budget, and
- \$88,000 in Capital Outlays being included – 20% would be \$17,600.

Stan: The insurance amount and benefits – are these for the board members also?

Answer: No, that covers three employees at approximately \$7,000 per person. That amount was arrived at by talking to the City to see what they were paying.

Stan: Will you be developing your own group insurance plan to cover the board members?

Answer: Yes, that is the plan.

Paige: The only way this Airport can function is through property taxes. They have attempted to be conservative, but they do not want to get in financial difficulties in the future by having too low of a maximum levy.

The Board has constructed this budget during several meetings and with the expert advise of Umbaugh. This was not a one-time meeting and just throwing numbers together. This budget is based on the best estimates we could get.

### **Recommendation**

Lisa motioned to recommend approval of a maximum levy of \$474,200. James seconded and the motion tied 2-2. Bob and Stan opposed the motion.

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### **Warren County FSSA, Warren County Maximum Levy**

The unit is requesting a maximum levy to be established at \$116,905 for the protection and service to children.

## **Taxpayer Objections**

N/A

### **Attendance**

The following Board Members attended the meeting: Mary Edmonds (Senior Budget Analyst with the State Department of Family and Social Services Administration).

### **Discussion**

She is here representing the unit to request a maximum levy of \$116,905.

Questions by the Board:

Bob: Is this necessary because of Senate Bill 1?

Answer: Yes – Warren County had an approved budget and maximum levy of zero for 2004. In 2003, their maximum levy was \$153,114 with an approved levy of \$107,289.

Stan: The figures presented – are they typical for a county the size of Warren?

Answer: The expenses fluctuate tremendously from one year to the next. We never know how many children will need service. In 2000, our expenses were \$92,000; in 2001, they were \$185,000. We pay \$500 per day per child in a placement situation. There are big peaks and valleys in this type of service, depending on the number of children in this type of service.

The County has the final approval on all FSSA budgets; the local departments have no appeal process for an increased budget except to go to the County.

### **Recommendation**

Bob motioned to recommend approval of a maximum levy in the amount of \$116,905. Lisa seconded and the motion carried 4-0.

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### **Riley Fire Protection District, Vigo County Emergency Fire Loan**

The township is requesting approval to obtain a loan for Fire Protection Services in the amount of \$88,000. The loan is will used to fund operations because the volunteer firefighting force does not have enough personnel to provide assured service without use of career staff to supplement volunteer force.

The unit shows a need, based on the following emergency loan calculation, of

January 1, 2004 Cash Balance	<b>Fire Fund</b>	\$2,359
Plus: 2004 Certified Tax Levy		\$85,886
Plus: Estimated 2004 Revenues		<u>\$24,098</u>
Total Funds Available 2004		\$112,343

Less: Encumbered Appropriations	\$0
Less: Estimated 2004 Expenditures	\$228,000
Funds Remaining	<b>(\$115,657)</b>

### **Taxpayer Objections**

The Date of Publication for a public meeting was March 18<sup>th</sup>, 2004. A Public hearing was held on March 29<sup>th</sup>, 2004. The Notice of Determination was published April 1<sup>st</sup>, 2004. The Objection Hearing was held May 20<sup>th</sup>, 2004.

### **Attendance**

N/A. The unit withdrew their petition and asked to be rescheduled for July.

### **Discussion**

N/A

### **Recommendation**

N/A.

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### **Newton County FSSA, Newton County Maximum Levy**

The unit is requesting a maximum levy to be established at \$875,446 for the protection of and service to children.

### **Taxpayer Objections**

N/A

### **Attendance**

The following Board Members attended the meeting: Adele Sintkowski (Account Clerk), and Ron Fisher (Director).

### **Discussion**

They are in a similar situation as Warren County. For the last two years they have not had to impose a property tax levy because their operating balance was sufficient to meet their expenses. What happened this year is the increase in out-of-home placements they have experienced. Then Senate Bill 1 became effective, and they lost the ability to impose a property tax levy.

Questions by the Board:

Bob: What was your 2003 maximum levy?

Answer: \$560,688.

Bob: How long have you had a zero levy?

Answer: For 2001, 2002, and 2003.

Bob: What kind of funds did you have to support a \$560,000 budget for three years?

Answer: They had a huge cash balance.

James: Have your activities increased, and the number of children?

Answer: Yes, out-of-home placements have increased three times as much. Another activity that has increased is the amount of children needing to be placed in institutions, rather than in foster homes. This method costs a lot more – an average of \$364 per day per child.

Bob: Do you have any idea what the County thinks about this levy amount?

Answer: Actually, no.

Bob: What is the cash balance you are projecting for this year?

Answer: Approximately \$260,000.

Stan then asked Bob to clarify line 11 of the 16-line financial statement.

### **Recommendation**

Stan motioned to recommend approval of a maximum levy in the amount of \$875,446.

Lisa seconded and the motion carried 4-0.

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### **Town of Merrillville, Lake County General Obligation Bonds**

The unit is requesting approval to issue general obligation bonds in the amount of \$4,500,000 for a period not to exceed twelve (12) years. Proceeds of the bonds will be used to provide funds for major arterial road reconstruction, the acquisition of aerial Quints fire trucks, storm water and water infrastructure, system wide park equipment replacement, and the purchase of ten Crown Victoria police cars. The anticipated tax rate is estimated to be .0433 based on an assessed value of \$1,619,278,198 and an annual levy of \$700,875. The Common Construction Wage hearing was held on June 7<sup>th</sup>, 2004 and passed 5-0. This is a controlled project.

### **Taxpayer Objections**

The Date of Publication for a public meeting was April 16<sup>th</sup>, 2004. A Public hearing was held on April 27<sup>th</sup>, 2004. The Notice of Determination was published April 30<sup>th</sup>, 2004. The Remonstrance period ended May 30<sup>th</sup>, 2004.

## **Attendance**

The following Board Members attended the meeting: John Petalas (Clerk Treasurer), Bob Swintz (Financial Advisor with Lindon Witte Group), Dave Arransen (Bond Counsel), John Minchuk (no title).

## **Discussion**

They are here hoping to get approval to issue bonds in the amount of \$4,500,000 for infrastructure, public safety, and park equipment projects.

The infrastructure projects are mainly arterial road improvements. There are five to six areas with approximately 500,000 people that still have well systems for their water supply. They have received a \$500,000 grant, with the help of their congressman, to assist them in building a water system to service these areas.

The park department has thirteen or fourteen different parks, and the majority of them are thirty-two years old, or older. All of the park equipment is old and they have had several children injured when a swing broke, or other incidents like that. Their parks budget has fluctuated between \$180,000-\$200,000.

The public safety portion is to purchase two aerial fire trucks. They have four fire stations with three aerial trucks. Two of the aerials are constantly out of service because they are broken down and need repairs. All of their fire fighting equipment is over thirty years old. Another part of the public safety portion is to purchase ten Crown Victoria police cars. They have a fleet of fifty-three vehicles. All of their police officers have take-home cars. Fifteen cars in the fleet are 1999 models and they want to upgrade to 2005's. They have already purchased five vehicles out of their operating budget, and they would like to purchase ten more via the bond issue.

Questions by the Board:

James: Is your population growing?

Answer: Yes.

James: Are you firefighters all paid?

Answer: No, they are all volunteers – about 200 in all.

James: How many taxpayers showed up at your public hearing?

Answer: About thirty to forty people – only two people spoke up and they were in support of the bond issue.

James: Will there be a fee for the water system?

Answer: Yes, they will need to pay a hook up fee. The grant we received will pay for the system up to the subdivision, then the individual homeowners will need to pay to hook up to it.



Bob: What is the expected life of a police car?

Answer: Usually about five years. They have gaming revenue that comes in, but the resolution restricts what they can be used for – right now, they are being used to do road works. They usually use their CCD fund to purchase police vehicles.

Bob: A twelve-year bond issue does not seem to be the appropriate method to purchase five-year vehicles with.

Answer: They would not necessarily disagree with that, but they are really hard pressed right now because of reassessment.

Bob: How much longer on your current bond issue before it is paid off?

Answer: It will be paid off in 2011.

Bob: How much was that bond issue for?

Answer: \$1.5 million.

Stan: How big are the new trucks?

Answer: They are 102's.

Stan: How tall are your buildings in Merrillville?

Answer: The tallest one is probably fifteen stories.

Stan: Do you have industries that cover a lot of ground?

Answer: Yes, they have two that are spread out – a shoe manufacturing plant and PolyCon (?).

Bob: Is the housing sufficient to house the new trucks?

Answer: Yes. They are spending \$10,000 a year to keep those two trucks running. It will save taxpayers more in the long run to purchase new ones.

Stan: Is emergency ambulance services provided?

Answer: No, only firefighting. The emergency management service is run by the Town.

Traffic is increasing on I65 and the main state road that runs through the Town. There have been no problems with taxpayers during public hearings.

### **Recommendation**

James motioned to recommend approval to issue general obligation bonds in the amount of \$4,500,000 for a period not to exceed twelve years. Lisa seconded and the motion tied 2-2. Bob and Stan opposed the motion. The reason for the opposition was the purchase of ten police cars, which have approximate lives of five-years with a twelve-year bond issue.

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## **City of Washington, Daviess County General Obligation Bonds**

The unit is requesting approval to issue general obligation bonds in the amount of \$800,000 for a period not to exceed ten (10) years. Proceeds of the bonds will be used to provide funds to match a Department of Commerce Grant that will allow the City to renovate its City Hall to make it ADA compliant by installing a new elevator to make the entire building handicap accessible for community use and generally bring the building up to current building codes. The anticipated tax rate is estimated to be .0413 based on an assessed value of \$255,335,600 and an annual levy of \$105,387. The Common Construction Wage hearing is not applicable since Federal Funds are being used and the Federal Wage Scale will be utilized for this project. This is an uncontrolled project because the funds supported by property taxes are less than \$2,000,000.

### **Taxpayer Objections**

A public meeting is scheduled for June 14th, 2004. The Hearing to adopt the Resolution for the Sale of Bonds is scheduled for June 28th, 2004. The Notice of Preliminary Determination is scheduled for June 16th, 2004. The Remonstrance period will end July 8th, 2004.

### **Attendance**

The following Board Members attended the meeting: Lisa A. Lee (Bond Counsel with Ice Miller), Elaine Wellman (Clerk Treasurer), David A. Abel (Mayor), Kathy Raver (Financial Advisor with H.J. Umbaugh & Company), Larry Donovan (Architect), Steve Bombei (H.J. Umbaugh and Company).

### **Discussion**

They want to renovate their City Hall. It is a historical site, so special care and consideration is needed in renovating it. It is not ADA compliant – it cannot accommodate handicapped persons. It is also an underutilized building. Renovation will make the City Hall a much nicer place.

Questions by the Board:

James: Is your city growing?

Answer: They have a population of approximately 10-12,000 people – it has remained stable for the last 100 years.

Bob then requested that the unit explain why they petitioned to appear on this agenda two weeks past the petition deadline. The unit explained that it was a matter of timing. There was a misunderstanding between the City, the Financial Advisor and the Bond Council about the time it takes to complete the approval process from the DLGF. The unit is receiving a grant from the Department of Commerce. The Bond Council and the Financial Advisor did not learn of the requirement to have the matching funds by August

31<sup>st</sup>, or the unit would forfeit the grant until June 8<sup>th</sup>, 2004. Because of the new requirement of having a thirty-day objection period on all DLGF orders, the final remonstrance period would have been beyond the August 31<sup>st</sup> deadline if the unit did not appear before the Board until the July meeting. Even with the unit appearing on this month's agenda, the objection period for the DLGF will not end until July 8<sup>th</sup> which is after this hearing date. They do not expect an order from the DLGF until they have faxed us the Auditor's Petition of No Remonstrance shortly after July 8<sup>th</sup>.

James: How does it look – are you expecting any objections?

Answer: They are not expecting any. There have been no phone calls yet or people up in arms.

Stan: (Looking at the architectural rendering) You are putting in an elevator, but I do not see where there is a ramp to access the building and get to the elevator. Can you show me where it is?

Answer: The ramp is going down into the basement of the building and access the elevator from there. The building is built on a split-level and it is easier to construct the ramp to go down into the basement, than up to the first floor.

Lisa: Does this renovation require Historical Preservation approval?

Answer: Yes, it does. Everything has been approved except for one issue – the windows on the second floor. They are still working on getting that approval.

Stan: Are the local funds from a federal grant?

Answer: \$155,000 is from a Community Focus Grant and we need matching funds for that. The other \$120,000 is from a federal grant.

Stan: If the grant is not approved and you loose the money, what will happen to this project?

Answer: They would go forward with the project – they might have other funds available that can be used to complete the project.

### **Recommendation**

Stan motioned to recommend approval to issue general obligation bonds in the amount of \$800,000. Bob seconded and the motion carried 4-0.

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